

AglImport Growth Slows in FY 2009

*Imports raised \$1.5 billion from November to \$82.5 billion
Forecast \$3.2 billion above last year's record \$79.3 billion*

- ❑ US economy contracts in 2009 (real GDP growth averaged 2.6% 2005-07)
- ❑ Negative wealth effect with lower home values and falling stock market, unemployment rate passes 8%, and consumer spending contracts
- ❑ Some relief from sharply lower oil prices; stronger dollar lowers import costs

Key observations for FY 2009

- ❑ Import growth rate slows to 4%, the lowest in years, as volume gains slow, level off or even decline somewhat; recession-related volume declines expected for beer, fruit juices, maybe rubber
- ❑ Grains, oilseeds and products rise \$1.9 billion on increased volumes (small compared to \$4.5-billion increase last year with higher prices)
- ❑ Cattle shipments from Canada sharply lower, as Canadian cattle inventory is lowered and beef shipments from Canada rise
- ❑ Horticultural imports forecast at \$35.3 billion, up only \$600 million and the slowest increase in decades